

SME WEEKLY NEWS

(9 November 2020 – 13 November 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>Covid-19 forces closure of 32,000 SMEs, Parliament told</p>	<p>More than 30,000 SMEs have closed shop since the MCO was implemented in March. Ministry of Entrepreneur Development and Cooperatives, Wan Junaidi Tuanku Jaafar today said 9,675 SMEs ceased operations during the first phase of the MCO from 18 March to 9 June 2020, and another 22,794 during the recovery MCO (RMCO) phase from June to September 2020. The highest figure was recorded in August with 17,800 SMEs ending operations, based on the statistics quoted from the Companies Commission of Malaysia. Meanwhile, survey conducted by the Ministry found that the majority of businesses that closed were micro SMEs, making up 79.5% of the closures during the MCO and 70.8% during the RMCO. The majority of the micro SMEs it surveyed had yet to receive government assistance. Apart from proposing increased financial aid for these entrepreneurs and more access to this aid, the Ministry suggested an expansion of promotional, marketing and product development training programmes. It also proposed hosting programmes to help entrepreneurs digitalise their businesses.</p> <p><i>(Source: Free Malaysia Today, 9 November 2020)</i></p>
<p>SINGAPORE</p> <p>Small firms hit by pandemic may be allowed to renegotiate deals</p>	<p>With the business landscape completely altered by the Covid-19 pandemic, badly hit smaller players are being offered a chance to terminate certain unviable contracts as painlessly as possible. These small and micro enterprises will be able to renegotiate certain types of commercial contracts with their business partners, in line with the current economic conditions, under a proposed law for the Covid-19 (Temporary Measures) Act. If an agreement cannot be reached, the proposed framework will allow for the contract to be terminated without any penalties. However, businesses will still be liable for any outstanding debts and obligations. The Bill overcomes the difficulties small businesses face in renegotiating their options, as they may be otherwise deterred by the prospect of sizeable penalties for terminating contracts. Only commercial contracts, including those with the Government, would be covered by the framework include commercial property leases, the sale and purchase of goods and services, and rental or hire-purchase deals for commercial equipment and vehicles, among other things. However, the framework does not cover consumer, employment and insurance contracts.</p> <p><i>(Source: The Straits Times, 6 November 2020)</i></p>
<p>INDONESIA</p> <p>Facebook to give 12.5 billion rupiah to local SMEs</p>	<p>Social media giant Facebook is selecting local SMEs affected by the Covid-19 crisis to be recipients of a total of 12.5 billion rupiah (US\$887,688) in grants. Earlier this year, Facebook announced that it would distribute US\$100 million in cash grants and ad credits globally to small businesses affected by the pandemic. The funds, which are to be distributed to some 30,000 eligible small businesses in more than 30 countries, can be spent on rent and operational costs or to finance customer outreach initiatives. Also, Facebook Indonesia has forged partnerships with local businesses to help them survive and adapt to conditions during and, eventually, after the pandemic through virtual training programs. Facebook Indonesia's program for women entrepreneurs had more than 14,000 participants so far and that the company planned to scale it up further. Facebook is also targeting young entrepreneurs through its Instagram Academy series, which has reached more than 3,500 young entrepreneurs. The program is part of the company's campaign, #TumbuhdiFacebook (#GrowonFacebook), a collaboration with the Trade Ministry in which Facebook Indonesia hosts virtual discussions on topics related to SMEs.</p> <p><i>(Source: The Jakarta Post, 12 November 2020)</i></p>

<p style="text-align: center;">INDONESIA</p> <p>Indonesia, UK team up to launch training program for women entrepreneurs</p>	<p>The Women's Empowerment and Child Protection Ministry has teamed up with UK-Indonesia Tech Hub – a technology and innovation hub initiated by the British Embassy in Jakarta -- to launch a training program for Indonesian women who own micro and ultra-micro enterprises. Called HERfuture, the program aims to increase digital literacy among women entrepreneurs and to help them maximize the use of technology to support their businesses. Around 100 women entrepreneurs have been selected to join the two-month online training courses. The Ministry said the training could help SMEs cushion the economic impact brought by the Covid-19 pandemic. The country's small businesses, which account for more than 60% of GDP and employ a majority of the labor force, have been battered by the pandemic, as the economy enters into recession following economic contractions in the 2nd and 3rd quarters. Surveys by the Cooperatives and SMEs Ministry show that SMEs face many problems during the pandemic, such as drops in sales, difficult procurement of raw materials, slow distribution and production decline. The courses would cover topics such as digital literacy, business operation and market access.</p> <p style="text-align: right;"><i>(Source: The Jakarta Post, 11 November 2020)</i></p>
<p style="text-align: center;">BRUNEI</p> <p>BIBD offers digital solutions to boost local businesses</p>	<p>Entrepreneurs can learn to boost their business activities by using platforms offered by Bank Islam Brunei Darussalam (BIBD) at the Borneo Bulletin Yearbook (BBYB) MSME Showcase. The public can experience the bank's digital business solutions and use cashless payment methods. Products including BIBD BizNet, the MSME current account and BIBD QuickyPay have helped fill the gaps and improve operations, in line with the bank's objectives to serve the needs of MSMEs. The public can also learn about the bank's all-in-one SME360 platform – a comprehensive banking solution that complements the needs of businesses, especially SMEs which includes a dedicated relationship management team, financial solutions and digital payments. BIBD also works closely with stakeholders including DARE (Darussalam Enterprise) to provide support, advice and mentorship to its MSMEs through the BIBD Catalyst programme, which focusses on providing acceleration programmes intended to help promising small businesses scale and grow into medium-sized enterprises. BIBD aims to support the local economy amid the COVID-19 pandemic, by encouraging customers to buy locally.</p> <p style="text-align: right;"><i>(Source: Borneo Bulletin, 13 November 2020)</i></p>